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Commission on Narcotic Drugs

Report on the reconvened fifty-sixth session (12-13 December 2013)

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Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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Chapter I

Matters calling for action by the Economic and Social Council or brought to its attention

A. Draft decision for adoption by the Economic and Social Council

1. The Commission on Narcotic Drugs recommends to the Economic and Social Council the adoption of the following draft decision:

Draft decision

Report of the Commission on Narcotic Drugs on its reconvened fifty-sixth session

The Economic and Social Council takes note of the report of the Commission on Narcotic Drugs on its reconvened fifty-sixth session.

B. Matters brought to the attention of the Economic and Social Council

2. The attention of the Economic and Social Council is drawn to the following resolution adopted by the Commission on Narcotic Drugs at its reconvened fifty-sixth session and to the action taken pursuant to General Assembly resolution 46/185 C, in section XVI of which the Assembly authorized the Commission to approve the programme budget for the Fund of the United Nations International Drug Control Programme:

Resolution 56/17

Budget for the biennium 2014-2015 for the Fund of the United Nations International Drug Control Programme

The Commission on Narcotic Drugs,

Exercising the administrative and financial functions entrusted to it by the General Assembly in its resolution 46/185 C, section XVI, paragraph 2, of 20 December 1991,

Having considered the report of the Executive Director of the United Nations Office on Drugs and Crime containing the proposed budget for the biennium 2014-2015 for the Fund of the United Nations International Drug Control Programme[1] and the related recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[2]

Recognizing the normative functions of the Office as part of the Secretariat of the United Nations and stressing the importance of technical assistance, within the

[1] E/CN.7/2013/15-E/CN.15/2013/28.
[2] E/CN.7/2013/16-E/CN.15/2013/29.

mandate of the Office, provided to Member States upon their request and, for these purposes, the importance of adequate, predictable and stable funding,

Highlighting the Executive Director's plans to pursue the transition to the new funding model based on identified priorities in a manner and at a pace that will be realistic and balanced vis-à-vis the expectations and requirements of Member States,

Noting the significant implications that implementation of the full cost recovery funding model will have, in particular for technical cooperation and the Office's network of field offices, including the possibility of unintended consequences,

Noting also the plans of the Office to monitor the situation and to keep Member States regularly and fully informed and coordinate with them on progress and the impact of the implementation of the new model through the Commission and existing mechanisms, including the standing open-ended intergovernmental working group on improving the governance and financial situation of the United Nations Office on Drugs and Crime,

Taking note of the importance of field operations, as reflected in the report of the Executive Director on the consolidated budget and of the reference in paragraph 35 of that report to Economic and Social Council resolution 2009/23 of 30 July 2009, in which the Council requested the Executive Director to give high priority to the implementation of the regional programmes of the Office and to report on progress made,

Aware of the need to continue promoting regular dialogue between all Member States as well as with the Office on the planning and formulation of the operational activities of the Office, including its programmes and projects,

1. *Notes* the progress made in the development of the thematic and regional programme approach in consultation with Member States, to the programme of work of the United Nations Office on Drugs and Crime and in ensuring the full complementarity of the thematic and regional programmes;

2. *Also notes* that the budget is based, inter alia, on the strategy detailed under programme 13 of the strategic framework for the period 2014-2015[3] and on the strategy of the Office for the period 2012-2015;

3. *Further notes* that the budget is harmonized with sections 16 and 29G of the proposed programme budget of the United Nations for the biennium 2014-2015;[4]

4. *Notes* that the budget focuses on general-purpose funds and also includes special-purpose funds and programme support cost income earned on special-purpose contributions, as well as regular budget resources;

5. *Also notes* that a new funding model would not automatically apply to existing funding agreements with the Office unless otherwise agreed;

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[3] *Official Records of the General Assembly, Sixty-seventh Session, Supplement No. 6* (A/67/6/Rev.1).

[4] A/68/6 (Sect. 16) and (Sect. 29G).

6. *Further notes* that a new funding model should, inter alia, not hinder the field operations and headquarters activities of the Office or affect delivery;

7. *Notes* that the general-purpose resources of the Fund of the United Nations International Drug Control Programme and the United Nations Crime Prevention and Criminal Justice Fund are presented as a single budget and that general-purpose expenditure will be apportioned between the two Funds in accordance with the income that each generates;

8. *Also notes* that the programme support cost resources of the Fund of the United Nations International Drug Control Programme and the United Nations Crime Prevention and Criminal Justice Fund are presented as a single budget and that programme support cost expenditure will be apportioned between the two Funds in accordance with the income that each generates;

9. *Approves*, taking into account the provisions of the present resolution, the projected use of general-purpose funds in the consolidated budget for the biennium 2014-2015, and invites Member States to provide contributions totalling at least 11,189,700 United States dollars;

10. *Endorses*, taking into account the provisions of the present resolution, the programme support cost funds and special-purpose estimates in the consolidated budget for the biennium 2014-2015, as indicated below;

Resource projections for the Fund of the United Nations International Drug Control Programme

	Resources (thousands of United States dollars)		*Posts*	
Category	*2012-2013*	*2014-2015*	*2012-2013*	*2014-2015*
General-purpose funds				
Post	11 425.3	10 451.9	35	28
Non-post	1 181.8	737.8	–	–
Subtotal	**12 607.1**	**11 189.7**	**35**	**28**
Programme support cost funds				
Post	13 896.2	19 499.8	111	93
Non-post	3 561.1	4 380.8	–	–
Subtotal	**17 457.3**	**23 880.6**	**111**	**93**
Special-purpose funds	**244 092.2**	**304 567.8**	**98**	**112**
Total	**274 156.6**	**339 638.1**	**244**	**233**

11. *Notes* that the resource projections estimated above are subject to the availability of funding as well as to potential adjustments that may be required, under the guidance of the Commission, by relevant factors in the consolidated budget, including those described in paragraphs 21-23 of document E/CN.7/2013/15-E/CN.15/2013/28;

12. *Requests* the Office to brief and provide information to Member States as well as other partners on the percentage of voluntary contributions allocated to the support or delivery costs of programming and the percentage of these funds spent on delivering technical assistance;

13 *Stresses* that the provisional implementation of a new funding model in the biennium 2014-2015 will need to be reviewed by the Commission to assess its effectiveness and further feasibility;

14. *Notes* the need for consistent application of a new funding model to all programmes and activities of the Office funded by voluntary contributions;

15. *Remains fully committed* to increasing the effectiveness and results of the technical assistance programmes of the Office and of their delivery and reaffirms the need to engage in thorough consultations among relevant actors, including the recipient countries, ahead of any possible changes to the field presence of the Office;

16. *Requests* the Secretariat, periodically and on a continuing basis, to brief and coordinate with Member States through existing mechanisms, inter alia, on the following:

(a) Any projected adaptation of the field offices and of headquarters operations that may arise from the implementation of the new funding model;

(b) Details of the implementation of the funding model of the Office with respect to field and headquarters operations, including but not limited to the special-purpose funds for posts shown in paragraph 10 above, including in briefings prior to the fifty-seventh session and the reconvened fifty-seventh session, to be held in 2014;

17. *Requests* the Office to provide information on the implementation of the funding model and its impact on the work of the Office, including, but not limited to, its ability to deliver technical assistance to Member States upon their request, and on any impact on the voluntary contributions shown in the report of the Executive Director on the consolidated budget for the biennium 2014-2015 for the United Nations Office on Drugs and Crime;

18. *Also requests* the Office to strengthen its efforts to further encourage donors to provide general-purpose funding, including by means of further increasing transparency and quality of reporting, and invites Member States and other donors to consider providing support to the general-purpose funds of the Office;

19. *Requests* that the financial statements of the Office on draft resolutions presented to the Commission at its fifty-seventh and fifty-eighth sessions, as well as in other routine budget documents and briefings of the Office, describe how projected expenditure will affect the use of regular budget resources and extrabudgetary resources.

Chapter II

Policy directives to the drug programme of the United Nations Office on Drugs and Crime and strengthening the drug programme and the role of the Commission on Narcotic Drugs as its governing body, including administrative, budgetary and strategic management questions

3. At the 1st and 2nd meetings of the Commission on Narcotic Drugs, held jointly with the Commission on Crime Prevention and Criminal Justice on 12 and 13 December 2013, the Commission on Narcotic Drugs considered agenda item 3, which read as follows:

> "Policy directives to the drug programme of the United Nations Office on Drugs and Crime and strengthening the drug programme and the role of the Commission on Narcotic Drugs as its governing body, including administrative, budgetary and strategic management questions:
>
> "(a) Work of the United Nations Office on Drugs and Crime and policy directives;
>
> "(b) Role of the Commission as the governing body of the drug programme of the United Nations Office on Drugs and Crime;
>
> "(i) Strengthening the drug programme of the United Nations Office on Drugs and Crime;
>
> "(ii) Administrative, budgetary and strategic management questions."

4. For its consideration of item 3, the Commission had before it the following documents:

(a) Report of the Executive Director on the consolidated budget for the biennium 2014-2015 for the United Nations Office on Drugs and Crime (E/CN.7/2013/15-E/CN.15/2013/28);

(b) Report of the Advisory Committee on Administrative and Budgetary Questions on the consolidated budget for the biennium 2014-2015 for the United Nations Office on Drugs and Crime (E/CN.7/2013/16-E/CN.15/2013/29);

(c) Note by the Secretariat on the work of the standing open-ended intergovernmental working group on improving the governance and financial situation of the United Nations Office on Drugs and Crime (E/CN.7/2013/7/Add.2-E/CN.15/2013/7/Add.2).

5. At the 1st meeting, the Director of the Division for Operations of the United Nations Office on Drugs and Crime (UNODC), the Chief of the Financial Resources Management Service and the representative of the Islamic Republic of Iran, in his capacity as co-chair of the standing open-ended intergovernmental working group on improving the governance and financial situation of the United Nations Office on Drugs and Crime, made statements.

6. Statements were made by the representatives of Canada, the United States of America, Japan, the Netherlands, the Russian Federation, Pakistan, the United Kingdom of Great Britain and Northern Ireland, the Islamic Republic of Iran and Brazil. Statements were also made by the observers for Sweden and Nicaragua.

A. Deliberations

7. Speakers welcomed and expressed appreciation for the work of the standing open-ended intergovernmental working group on improving the governance and financial situation of UNODC. Several speakers suggested that the working group should become a permanent subsidiary body of the Commissions, while others were in favour of extending its mandate periodically in line with the current practice.

8. Speakers expressed views and concerns about the financial situation of UNODC, which some speakers related to severe constraints on national budgets, and took note of the report of the Executive Director on the consolidated budget for the biennium 2014-2015 for UNODC, which introduced a funding model and a focus on full cost recovery. It was acknowledged by several speakers that the report presented a realistic budget and that the gradual implementation of the funding model would allow stakeholders and UNODC to understand the changes in parameters and approach. It was noted that the adapted funding model could address the recurring funding problems of the Office and that it would eliminate cross-subsidization between funds and improve the imbalanced situation of general-purpose and special-purpose funding. The establishment of a senior-level management team reporting to the Executive Director that would monitor closely and report periodically on progress made in the implementation of the funding model was welcomed.

9. A number of speakers questioned the impact of the funding model and full cost recovery on the sustainability of UNODC technical assistance delivery and field office operations. It was suggested that the funding model should not be endorsed unconditionally; rather, its implementation should continue to be monitored and reviewed by UNODC in close consultation with Member States. Some speakers requested the opportunity to review the implementation of full cost recovery and the impact on technical assistance delivery and on UNODC programmes and projects. It was stressed that the implementation of the funding model should not reduce the scope and location of UNODC programmes and field offices or result in a shift of resources from field offices to headquarters. It was also stressed that, with respect to special-purpose funds, the funding model should not result in double-taxation on donors who also contributed to general-purpose funds.

10. A representative of the Secretariat clarified that the full cost recovery model did not imply a reduction in resources available to the field but a shift from general-purpose funds and programme support cost funds to special-purpose funds, so as to realign the use of the funds in accordance with the policies of the United Nations Secretariat.

11. Several speakers indicated that the key criteria set by Member States to support the funding model included delivery, measurable results, cost-effectiveness, transparency and sustainability. Other important points raised with respect to the funding model and full cost recovery included the need to collect the information

that would facilitate the review of the impact of full cost recovery; the need to clarify the portion of voluntary contributions allocated to the support and delivery costs of programming compared with the portion allocated to substantive work and technical assistance delivery; the need for continued dialogue with Member States to keep them informed on and involved in the sustainability of UNODC offices and programmes; the need to clarify the distinction between full cost recovery and programme support cost funds; the need to keep overhead costs to a minimum; and the need to review the impact of the funding model and full cost recovery on the fund balance of the Fund of the United Nations International Drug Control Programme and the United Nations Crime Prevention and Criminal Justice Fund.

12. One speaker welcomed the additional information provided on the use of general-purpose and programme support cost funds, but also expressed concern about the additional programme support cost resources requested in the budget for the local implementation of International Public Sector Accounting Standards and Umoja and requested UNODC to continue to provide donors with information on the implementation and use of those funds. It was noted that the growth of special-purpose voluntary contributions to UNODC was a sign of donor confidence and that UNODC had moved in the right strategic direction with the integrated programme approach and the full cost recovery funding model. Reference was made to the quality of reporting as an incentive for donors to provide more soft-earmarked contributions.

13. Several speakers requested clarification on other issues of the consolidated budget concerning aspects such as the geographical distribution and gender balance of UNODC staff; the additional number of posts included in the budget; some expert groups convened under the auspices of the Terrorism Prevention Branch; an overview of expenditure grouped by nature; and a summary of donor contributions. One speaker, expressing reservations about the creation of new posts through general-purpose funds under the section of the budget entitled "Executive direction and management", requested the Secretariat to provide further clarifications on possible risks in the event that those posts were not created.

14. Other issues raised by several speakers included the request for UNODC to give high priority to the implementation of the regional programmes and to report on progress made, and the request to increase the role of recipient countries in UNODC programme formulation.

B. Action taken by the Commission

15. At its 1st meeting, on 12 December 2013, the Commission took note of the extension by the Economic and Social Council in its decision 2013/246 of the mandate of the standing open-ended intergovernmental working group on improving the governance and financial situation of the United Nations Office on Drugs and Crime until the part of the sessions of the Commission on Narcotic Drugs and the Commission on Crime Prevention and Criminal Justice to be held in the first half of 2015, and elected Reza Najafi (Islamic Republic of Iran), and Ignacio Baylina Ruiz (Spain), as co-chairs of the working group in accordance with the procedure set out in Commission on Narcotic Drugs resolution 52/13, annex, and Commission on Crime Prevention and Criminal Justice resolution 18/3, annex.

16. At its 2nd meeting, on 13 December 2013, the Commission adopted a revised draft resolution entitled "Budget for the biennium 2014-2015 for the Fund of the United Nations International Drug Control Programme", as orally amended. (For the text, see chap. I, sect. B, resolution 56/17.)

Chapter III

Provisional agenda for the fifty-seventh session of the Commission

17. At its 2nd meeting, on 13 December 2013, the Commission considered agenda item 9, entitled "Provisional agenda for the fifty-seventh session of the Commission". The Chair introduced the item and brought to the attention of the Commission matters relating to the organization of the high-level segment of the fifty-seventh session of the Commission. Statements were made by the representatives of Mexico, Canada, France, India, the Netherlands, Israel, China, Australia, the Russian Federation, the Islamic Republic of Iran and Pakistan.

A. Deliberations

1. Duration of the fifty-seventh session and other arrangements

18. The Chair recalled that, at the intersessional meeting held on 8 May 2013, there had been agreement that the fifty-seventh session of the Commission should be held from Thursday, 13 March through Friday, 21 March 2014. The high-level review would be held on Thursday, 13 March and Friday, 14 March 2014, preceded by pre-session informal consultations on Wednesday, 12 March 2014. The regular segment of the fifty-seventh session of the Commission would then take place from Monday, 17 March through Friday, 21 March 2014. The dates of 4 and 5 December 2014 were proposed for the reconvened fifty-seventh session of the Commission on Narcotic Drugs, as recommended by the extended Bureau at its meeting on 11 December 2013.

19. It was also recalled that in accordance with Commission decision 55/1, the deadline for the submission of draft resolutions for the regular segment of the Commission's session would be, in principle, one month prior to the session, which for the fifty-seventh session would be 13 February 2014.

2. Preparations for the high-level segment of the fifty-seventh session

20. It was recalled that pursuant to Commission resolution 56/12, the high-level review shall consist of a general debate on "Progress achieved and challenges in implementing the Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem", as well as of round-table discussions on the three parts of the Plan of Action. In accordance with the proposed organization, the list of speakers for the general debate would be established by the drawing of lots at an intersessional meeting in February 2014. All speakers would be requested to keep their statements to five minutes. The chairing of the three round-table discussions would fall to the three vice-chairs of the high-level segment, and regional groups would be assigned to the round-table discussions through the drawing of lots at a meeting of the extended Bureau. The chairs of the round-table discussions would make a summary of the most salient points of the round-table discussions in a plenary meeting of the Commission prior to the closure of the high-level meeting, and the summary would not be subject to negotiations. A note prepared by the

Secretariat on the proposed organization of the high-level segment of the fifty-seventh session of the Commission (E/CN.7/2014/13) had been endorsed by the extended Bureau on 30 October 2013 and had been made available at the reconvened session.

21. The Chair referred to the negotiations being held during the intersessional period on the brief joint ministerial statement to be issued at the conclusion of the high-level review, pursuant to Commission resolution 56/12. He further invited all interested delegations to submit proposals, comments and suggestions in regard of the Chair's proposal for the outcome document, which was circulated on 4 October and again in a revised version on 6 December, for consideration before an intersessional meeting scheduled for 14 January 2014.

3. Preparations for the regular segment of the fifty-seventh session

22. The Chair informed the meeting that, in regard of agenda item 8 of the provisional agenda, the extended Bureau had agreed to recommend the format of interactive panel discussions, with the participation of experts nominated by the different regional groups. As regards the substantive focus of those panel discussions, a number of comments and proposals had been received from regional groups and individual Member States, but the extended Bureau had not been able to come to agreement on a joint recommendation.

23. Among the proposals for topics of the panel discussions were "scheduling of substances, including the issue of new psychoactive substances", "new approaches to addressing the world drug problem" and "drug abuse surveys". In the ensuing debate, no consensus was reached on the various proposals. It was concluded by the Chair that the matter would need to be further discussed during the intersessional period.

24. The Commission endorsed the recommendation of the extended Bureau to make an addition to the name of item 9 of the provisional agenda for the fifty-seventh session, which would now read as follows: "Implementation of the Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem: follow-up to the high-level review by the Commission on Narcotic Drugs, in view of the upcoming special session of the General Assembly of the world drug problem to be held in 2016".

B. Action taken by the Commission

25. At its 2nd meeting on 13 December 2013, the Commission endorsed the dates, deadlines and arrangements for the fifty-seventh session referred to above.

Chapter IV

Other business

Deliberations

26. At its 2nd meeting, on 13 December 2013, the Commission considered agenda item 10, entitled "Other business". The Chair introduced the item. Statements were made by the representatives of Mexico, Canada, the Russian Federation and France.

27. The Chair brought to the attention of the Commission the adoption by the General Assembly in September 2013 of resolution 68/1, concerning the strengthening of the Economic and Social Council. A conference room paper (E/CN.7/2013/CRP.7-E/CN.15/2013/CRP.13) had been made available to the Commission at the reconvened session, with advance information on how the implementation of the resolution might have an impact on the work of the functional commissions, including the Commission on Narcotic Drugs. Any further information would be brought to the attention of the Commission as soon as it became available.

28. Reference was made by one speaker to the establishment by the Economic and Social Council of a high-level political forum for sustainable development, which might also have implications for the Commission on Narcotic Drugs in so far as it dealt with the integration of the social, economic and environmental agendas of the United Nations. Other speakers requested that additional information on that development be brought to the attention of the Commission before any concrete action be taken on the matter.

29. One speaker referred to the importance of drug control in the Golden Triangle and urged UNODC to continue supporting the memorandum of understanding on drug control in the Greater Mekong subregion in the context of its regional programme for South-East Asia.

30. One speaker informed participants of the planned meeting of the Security Council, under the French presidency, on the issue of drug trafficking and transnational organized crime in West Africa and the Sahel.

Chapter V

Adoption of the report of the Commission on its reconvened fifty-sixth session

31. At its 2nd meeting, on 13 December 2013, the Commission adopted the parts of its report on the organization of the session and administrative matters and on item 3 of the agenda (E/CN.7/2013/L.1/Add.5 and 6). The Commission also adopted a draft decision, introduced by the Chair, on the report of the Commission on Narcotic Drugs on its reconvened fifty-sixth session, for adoption by the Economic and Social Council. (For the text, see chap. I, sect. A.) The Commission also decided to entrust the finalization of that report to the Chair of the Commission, with the assistance of the Rapporteur.

Chapter VI

Organization of the session and administrative matters

A. Opening and duration of the session

32. The Commission on Narcotic Drugs held its reconvened fifty-sixth session in Vienna on 12 and 13 December 2013.

33. The Economic and Social Council, in its decision 2011/259, entitled "Joint meetings of the reconvened sessions of the Commission on Narcotic Drugs and the Commission on Crime Prevention and Criminal Justice", decided that, starting in 2011, the Commission on Narcotic Drugs and the Commission on Crime Prevention and Criminal Justice would hold joint meetings during their reconvened sessions for the sole purpose of considering agenda items included in the operational segment of the agendas of both Commissions, with a view to providing integrated policy directives to UNODC on administrative, budgetary and strategic management issues. The Council also decided that the practice of holding back-to-back reconvened sessions of the Commissions would be continued to enable each Commission to consider, in separate meetings, agenda items included in the normative segment of its agenda.

34. In accordance with that decision, two meetings of the Commission on Narcotic Drugs were held jointly with the Commission on Crime Prevention and Criminal Justice on the first day of the reconvened session, on 12 December, in order to consider item 3 of the agendas of both Commissions.

35. At the 1st meeting, the Chairs of the Commissions made opening statements. Statements were also made by the representative of the Group of 77 and China, and by the Director of the Division for Operations of UNODC (on behalf of the Executive Director of UNODC).

B. Attendance

36. The reconvened fifty-sixth session was attended by representatives of 41 States members of the Commission (12 were not represented). Observers for other States Members of the United Nations, representatives of entities of the United Nations system and observers for intergovernmental and non-governmental organizations also attended. A list of participants is contained in document E/CN.7/2013/INF/3.

C. Documentation

37. The documents before the Commission at its reconvened fifty-sixth session are listed in E/CN.7/2013/CRP.6/Add.1.

D. Closure of the reconvened fifty-sixth session

38. At the 2nd meeting of the Commission, on 13 December, closing statements were made by the Chair of the Commission and by the Director of the Division for Management of UNODC.